

**GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA**

STARRED QUESTION NO:125
ANSWERED ON:08.03.2002
IMPROVEMENT OF PDS
RAMESH CHENNITHALA;VARKALA RADHAKRISHNAN

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether the Union Government have received any request from the State Governments particularly Kerala to improve the Food and Public Distribution System in the State and also for the release of good quality rice;
- (b) if so, the details thereof;
- (c) whether the Union Government have taken any action in this regard; and
- (d) if so, the details thereof and if not, the reasons therefor alongwith the time by which action is proposed to be taken?

Answer

THE MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHANTA KUMAR)

(a),(b),(c)&(d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a),(b),(c)&(d) OF STARRED QUESTION NO.125 DUE FOR ANSWER ON 03-2002 IN THE LOK SABHA.

(a) & (b): Some State Governments, including the Government of Kerala, have made certain requests relating to the Public Distribution System (PDS). These requests, inter alia, relate to increase in the number of BPL families for the purpose of allotment of foodgrains, additional allocation of foodgrains, reduction in the Central Issue Prices (CIP) for both APL and BPL categories, supply of good quality rice and wheat, sanction of additional Principal Distribution Centres (PDCs) and reimbursement of expenses on account of dealers' margins and transportation under the Antyodaya Anna Yojana. Besides the supply of good quality rice, the Government of Kerala has also requested for reintroduction of universal rationing, additional allocation of wheat for BPL families and restoration of the levy sugar quota and allotment of levy sugar for APL families.

(c) & (d): The allocation of foodgrains for BPL families is made as per the poverty estimates of the Planning Commission for the year 1993-94 based on the methodology of the Expert Group on Estimation of Proportion & Number of Poor. However, the population base of 1995 for the estimation of BPL families at the time of introduction of the Targeted Public Distribution System (TPDS) has been changed to 1.3.2000 with effect from December, 2000, thereby increasing the total number of BPL families from 596.23 lakhs to 652.03 lakhs at the national level. This basis has been applied to all States/Union territories without exception. It is, therefore, not possible to accede to the requests received from the State Governments to increase the number of BPL families as per the identification made by them.

A proposal relating to additional allocation of foodgrains and reduction in the Central Issue Prices of wheat and rice is under consideration.

The Food Corporation of India (FCI) is required to supply foodgrains conforming to the Prevention of Food Adulteration Act (PFA) standards for distribution under TPDS and other welfare schemes. The State Governments are free to inspect the stocks and satisfy themselves about their quality before lifting the same from FCI depots. The State Governments have also been advised to depute an officer not below the rank of inspector to check the quality of stocks.

The requests for sanction of additional Principal Distribution Centres (PDCs) are considered as per approved norms. In the recent past, additional PDCs have been sanctioned in Andaman & Nicobar Islands, Arunachal Pradesh and Sikkim. The requests received from the State Governments of Jammu & Kashmir, Mizoram, Tripura in this regard are being examined.

The Government of India is already incurring huge expenditure as food subsidy on the implementation of the Antyodaya Anna Yojana (AAY). The subsidy is about Rs.6.30 per kg. for wheat and about Rs.8.30 per kg. for rice. As such, State Governments have been asked to bear the expenditure on transportation and margin to the wholesalers/retailers for distribution of foodgrains under the AAY.

The position in regard to the requests received from the State Government of Kerala is indicated below:

(i) PDS, as it stood earlier, had been widely criticized for its failure to serve the population below the poverty line, its urban bias, etc. In order to streamline the PDS, the Targeted Public Distribution System (TPDS), with its focus on the poor, was launched in June, 1997. As such, it is not possible to accede to the request of the State Government for universal PDS.

(ii) The request of the State Government for additional allocation of wheat without reduction in the allocation of rice is difficult to accept, as it would make the allocation beyond their entitlement. The State Government is free to buy wheat under the Open Market Sale Scheme (Domestic).

(iii) Instructions have been given to FCI to supply good quality rice conforming to PFA standards.

(iv) The levy sugar quota of States, other than North-Eastern States, Hill States and Island Territories has been reduced and restricted to BPL families with effect from 1.2.2001 for better targeting under TPDS. As such, the request of the State Government cannot be acceded to.